

WYCOMBE DISTRICT COUNCIL

Pay Policy Statement – Financial year 2019-2020

1. Purpose

This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually from April each year.

This Pay Policy Statement sets out Wycombe District Council's policies relating to the pay of its workforce for the financial year 2019-2020, in particular:-

- a) the remuneration of its Chief Officers
- b) the remuneration of its "lowest paid employees"
- c) the relationship between
 - the remuneration of its Chief Officers and
 - the remuneration of its employees who are not Chief Officers

2. Definitions

For the purpose of this pay policy the following definitions will apply: -

2.1 "Pay" in addition to base salary includes any charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.

2.2 "Chief Officer" for the purposes of the pay statement (and in accordance with the Local Government & Housing Act 1989 definition) refers to the following roles: -

- **Chief Executive**, as Head of Paid Services
- **Statutory Chief Officers:**
 - Monitoring Officer (District Solicitor),
 - Head of Finance and Commercial/151 Financial Monitoring Officer
- **Non Statutory Chief Officers:**
 - Corporate Director (Growth and Regeneration),
 - Head of Democratic, Legal and Policy (by virtue of reporting to the Chief Executive)
 - Head of HR, ICT and Shared Support Services (by virtue of reporting to the Chief Executive)
- **Deputy Chief Officers:** Heads of Service
 - Head of Community
 - Head of Planning and Sustainability
 - Head of Housing and Environment
 - Head of Regeneration and Investment
- And for the purposes of the Localism Act, **posts reporting to a Chief Officer**, (excluding support roles)
 - Major Projects and Property Executive

- Revenues and Benefits Service Manager
- Deputy Head of Finance/Deputy S151 Officer
- HR Manager
- Procurement Manager
- Democratic Services Manager
- FM Manager
- ICT Manager – Infrastructure
- Business Systems Manager
- Communications and Improvement Manager
- Audit Risk and Fraud Manager

2.3 “Lowest paid employees” refers to those staff employed within Grade 2 of the Council’s pay framework.

The above definition for the “lowest paid employees” has been adopted because Grade 2 is the lowest Grade that staff are employed on on the Council’s pay framework.

2.4 “Employee who is not a Chief Officer” refers to all staff who are not covered under the “Chief Officer” group above. This includes the “lowest paid employees” i.e. staff on Grade 2 of the Council’s pay framework.

3. Pay framework and remuneration levels

3.1 General approach

Wycombe District Council recognises that our employees make a critical contribution towards the realisation of our vision to ensure that Wycombe District is economically strong and a good place to live, work and visit. We are committed to being flexible, efficient and offering excellent personalised services directly and in partnership with others.

The Council needs to have the flexibility and capability to be able to adapt to change and meet the needs of our customers. Our approach to rewarding staff aims to ensure fairness, equity and transparency. In order to achieve equitable pay we aim to operate fair and just pay and reward systems which are transparent, based on objective criteria and free from bias

We recognise that remuneration at all levels needs to be adequate to secure and retain high-quality employees dedicated to fulfilling the Council’s business objectives and delivering services to the public. This is balanced by aiming to ensure that remuneration is not, nor is seen to be, unnecessarily excessive.

3.2 Responsibility for decisions on remuneration

It is essential for good governance that decisions on pay and reward packages for chief executives and chief officers are made in an open and accountable way and that there is a verified and accountable process for recommending the levels of top salaries.

3.2.1 Council Committees

Personnel and Development Committee

The Personnel and Development Committee is comprised of elected Councillors on the basis of political balance and has responsibility for:

- Reviewing staffing policies and conditions of service for all staff and making recommendations to Council
- Councillor Development programme

Joint Staff Committee

The Joint Staff Committee is an advisory Committee made up of Councillors and staff representatives. It reports to the Personnel and Development Committee. It enables discussion and representations to be made on:

- Development and management of personnel policies and practices
- Application of terms and conditions of service
- General issues affecting staff
- Resolution of disputes

JNC Staffing Matters Committee

The JNC Staffing Matters Committee undertakes the appointment or dismissal of the Chief Executive, a Director, or the Chief Financial Officer (Section 151 Officer), and also Heads of Service if the Council so desires. The Committee must be appointed by full Council, from a pool of Members as set out in Standing Order 28.12.

The Committee has 5 Members which must include two or more political groups and also at least one Cabinet Member. No appointment or dismissal of these staff can take place before Council has accepted the recommendations of the Committee. Also no dismissal of the Chief Executive, Chief Financial Officer or the Monitoring Officer can take place other than in accordance with a recommendation in a report to the Committee made by an Independent Panel (under the Local Authorities (Standing Orders) (England) (Amendment Regulations 2015)).

3.2.2 National Agreements

The Council applies nationally agreed terms and conditions for cost of living awards, hours of work, leave entitlements and sickness absence scheme.

The National Joint Council for Local Government Services (NJC) agreements are applied to officers on Grades 1 to 9 and incorporated into contracts.

For Directors and Heads of Service agreements of the Joint Negotiating Committee for Chief Officers of Local Authorities are incorporated into the contracts of Chief Officers (Grades 10 to 12). Agreements of the JNC for Chief Executives of Local Authorities are incorporated into the contract of the Chief Executive (Grade 13).

The Council's Grade structure is incorporated into local conditions of service.

3.3 Salary Grades and Grading framework

The Council undertook a comprehensive review of its pay and Grade structure in 1998/99 resulting in the introduction of the Grade structure in April 1999.

The review included consultation with staff and elected Members and pay and benefit benchmarking was undertaken against the London and South East Industry and Service sector (excluding financial and pharmaceutical sectors) and public sector markets. Benchmarking and equal pay audits are carried out periodically.

An equal pay review was undertaken in November 2016. Overall, the outcomes of the equal pay review were positive. There was no evidence of systematic bias in terms of gender, ethnicity or full/ part time status.

In addition, a salary benchmarking exercise was undertaken by Korn Ferry, part of the Hay Group, in January 2017. The overall findings were that, on average, Wycombe District Council pay around the upper quartile of the public sector market and around the median of the private sector market.

The Grade for each role is determined by a consistent job evaluation process. The Council undertook a comprehensive evaluation of all posts prior to the implementation of the revised Grade structure using the HAY Local Government analytical job evaluation scheme. The evaluation scheme continues to be used for all posts within the Council. This followed a national requirement for all Local Authorities and other public sector employers to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.

3.4 Progression through Grades

There are 13 Grades in the pay framework, Grade 1 being the lowest and Grade 13 the highest. With the exception of trainees (apprentices on an accredited training scheme or students completing a higher education or professional qualification), each employee will be on one of the 13 Grades based on the job evaluation of their role. Employees Grades 2 to 13 can progress to the salary range maximum of their Grade subject to assessment of their performance and in accordance with the Council's performance management process.

Subject to the requirements of the performance management scheme and Grade structure, incremental progression occurs 1st April except in the following cases:

- Staff newly appointed to the Council and whose start date falls between 1st January and 31st March.
- Where an officer joins the Council between 1st October and 31st December the 1st April will fall within the probationary period. In this instance in order to establish a satisfactory performance level incremental progression will be deferred until the end of the probation period.
- Staff who receive incremental progression between 1st January and 31st March will not receive an April increment. This may occur where there is an increase in salary for the following reasons:
 - a change of Grade as a result of job evaluation
 - progression through career Graded/link Graded posts.

- An existing member of staff is appointed to a different post within the Council.
- Secondment to a higher Grade resulting in salary progression Subject to progression being the same, or in excess of, the expected incremental progression in their substantive post, had the officer achieved satisfactory performance.

In these instances staff are not subject to a probationary period. On confirmation of the Grade change officers will be placed on an increment within the higher Grade which equates to the next highest increment to their existing salary.

Cost of living awards are considered annually for staff and are determined by national agreements. The National Joint Council for Local Government Services (NJC) agreements are applied to officers Graded 1 to 9. The Joint Negotiating Committee for Chief Officers of Local Authorities agreements are applied to officers Graded 10 to 12. The Joint National Council for Chief Executives of Local Authorities agreement is applied to the Chief Executive. Any NJC or JNC (for Chief Officers (Grades 10 to 12) and the Chief Executive) nationally agreed cost of living awards are applied from the April of each year.

The NJC Pay Awards

2018 – 2020	National Employers have offered a 2 year deal of 2% increase on 1 April 2018 and 1 April 2019 with bottom loading on salaries below £19,430 (this has not been accepted by the Trade Unions)
2016-18	1% from 1 April 2016 and 1% from 1 April 2017
2014 - 16	a non-consolidated payment paid in December 2014, a cost of living award of 2.20% for employees on scale points 1.6 – 9.7, with varying increases for employees on scale points 1.1- 1.5 applied from 1 January 2015 and a further very modest non-consolidated payment in April 2015.
2013	1% across the board
2010 – 2012	No pay award

The JNC Pay Award for the Chief Executive and Chief Officers

2018 – 2020	National claims are for parity with NJC offer. As at 14.02.18 political soundings are being taken from Council leaders. An offer is awaited.
2016 - 2018	(Grades 10 to 12) is 1% from 1 April 2016 and 1% from 1 April 2017.
2014 - 2016	Effective from 1 January 2015 - 2% on guaranteed FTE basic salary of £99,999 or less.
2008 – 2013	No pay awards

4. Remuneration – level and element

4.1 Salaries

4.1.1 “Chief Officers”

“Chief Officers” are paid within the Council’s Grade framework, which applies to all employees.

The salary details of senior staff earning over £50,000 is published on the Council’s web site.

The JNC Committee recommends the appointments of Senior Officers (i.e. Heads of Service and above) to Full Council for approval. The salary threshold is currently set at £73,836 p.a.

4.2 “Lowest paid employees”

Each “lowest paid employee” is paid on Grade 2 (SCP 2.1 – 2.7). This Grade is typically used for jobs which are generally task based activities. As at 31/01/19, 5.9% of staff were paid at Grade 2.

4.3 Performance Management

High levels of performance are expected of our employees. Performance and contribution during the course of the year is reviewed within the annual performance management process.

Chief Officers are subject to the same performance management process as the “lowest paid employees” and “employees who are not Chief Officers”. Targets are set and performance against those targets is assessed. Line managers are responsible for carrying out performance assessment of their staff.

The Leader of the Council in consultation with the Chairman and Deputy Leader together with one Group Leader from an opposition group is responsible for the performance review of the Chief Executive.

Each Grade has seven increments (or spinal column points ‘SCPs’).

Incremental progression within Grades is performance based. For employees on Grades 2 to 13 (including Chief Officers), progression between increments within a grade requires a successful performance assessment rating as a minimum rating. Where performance is assessed as below successful incremental progression may be withheld.

Where an employee is at the top of the Grade there will be no further incremental increase. Any salary changes following assessment under the performance management process will be effected from 1st April each year (subject to the exceptions set out in section 3.4).

4.4 Other pay elements

There is no provision for a performance related bonus for any officers, including Chief Officers and the Chief Executive.

4.4.1 Honorarium Payments

Where employees are required to temporarily undertake substantial duties and responsibilities of a higher Graded job for longer than one month, an honorarium payment may become payable subject to the availability of funds within existing budgets and approval of:

- Employees on Grades 1 to 10: approval by Heads of Service or Chief Officer
- Chief Officers Grades 11 and above: approval by Council following recommendation of the JNC Committee.

Honorarium payments will normally reflect the salary difference between current salary and the next highest point of the higher Graded job from the date the higher level duties were first undertaken.

4.4.2 Market Supplements/appointment allowances

The Council may consider the use of market supplements for specific posts in the event of recruitment difficulties. Supplements will be time limited and subject to the provision of objective market evidence to support payment. The introduction of a market supplement or appointment allowance requires the authorisation of the Corporate Director and Head of HR in consultation with the relevant Cabinet Member and Chairman of the Personnel and Development Committee.

The use of market supplements or appointment allowances for Heads of Service, Directors and the Chief Executive requires consideration and recommendation by the JNC Committee and Council approval.

4.4.3 Health Insurance

Employees on Grades 7 to 13, including Chief Officers, have access to private health insurance. For 2018/2019 the cash value of the benefit was £682 per employee and this has fallen slightly for 2019/20 to £668.

4.4.4 Relocation Allowance

Where posts are advertised nationally a payment may be paid to new employees moving into the district to take up a position. Payments are detailed in the Council's policy, the current maximum payable is £8,500 in accordance with Inland Revenue rules.

4.4.5 Other benefits

Salary Sacrifice

The Council offers a small range of flexible benefits to all staff including the buying and selling of annual leave, cycle to work scheme and child care voucher scheme to all staff.

Discounts

The Council offers sports centre membership and discounted Gym membership of Council Sports Centres and discounted public transport arrangements to all staff.

4.5 Charges, fees and allowances

Any allowance or other payments will only be made to staff in connection with their role or the patterns of hours they work and must be in accordance with the Council's policies, national agreements in respect of 'subsistence' meal allowances and individual contractual requirements. Details of allowances are published on the Council's website.

Chief Officers do not receive a car allowance.

Chief Officers on Grades 10 to 13 working full time are contracted to work 37 hours per week, however, subject to Working Time Regulations, they are required to work such hours as are reasonably necessary to meet the requirements of the post.

Any other staff (including Chief Officers on Grades 7 to 9 – as referred to in section 2.2), whose role requires attendance at Council evening meetings, may claim a committee attendance allowance.

4.5.1 Election fees

As Head of Paid Service the Chief Executive is contractually required to carry out the role of returning officer for which a fee is paid in accordance with National and local guidance.

The Returning Officer is a statutory post, answerable to the Electoral Commissioner, entirely separate to the post of Chief Executive, the holder of which is appointed by the Council. The Returning Officer is personally responsible for the organisation and conduct of the election and the count.

National Election fees (Parliamentary, European Parliamentary, National referendums)

For national elections and referendums, a Fees and Charges Order is made for each individual election, under which the Acting Returning Officer can claim a fee for the personal responsibility for the conduct of the election and count.

Guidelines may also often be given at national level as to the fee paid to the polling station staff on polling day, although the fees paid are usually at the discretion of the Acting Returning Officer.

Local election fees (District, County, Parish)

The Returning Officer's Fees for local elections are not fixed by statute. The Buckinghamshire County authorities operate a joint fees policy (an historical county-wide agreement) which helps to minimise the difficulties encountered in recruiting staff when one authority pays considerably higher fees than another. Therefore under the present scheme, the fees paid to Returning Officers across the County are all based on identical criteria.

The formula for calculating Returning Officer fees for local elections is based upon the number of electoral areas involved, the number of vacancies within those areas, and the electorate of those areas.

4.6 Pension

Eligibility for membership and contribution rates for the Local Government Pension Scheme are governed by the rules of the scheme. Tiered employee

contribution bands are based on pensionable pay and raised each year in line with the price index. From April 2019 the bands ranged from 5.5% contributions for those earning up to £14,400 to 12.5% for those earning in excess of £161,501.

4.7 Severance Payments

The Council publishes on its website its policy on discretionary payments within the Local Government Pension Scheme on early termination of employment, increasing an employee's total pension scheme membership, and on awarding additional pension.

The financial details of severance payments relating to loss of office of Chief Officers who are Heads of Service, Directors or the Chief Executive are published on the web site in the Council's Annual Statement of Accounts.

If the Council is considering making a severance payment to a Chief Officer the decision as to whether such a payment should be made will be taken by the JNC Committee, appointed by full Council. If the proposed severance package is £100,000 or more (excluding contractual rights and accrued pension rights then the matter will be considered by full Council).

4.7.1 Redundancy Payments

The Council's redundancy compensation for all staff is based on the statutory scheme for the number of weeks' payable calculated by age and service. The Council enhances compensation over and above statutory payment by a multiplier of 1.5 and bases payment on actual weekly pay. In accordance with the terms of the Local Government Pension Scheme redundant employees aged 55 and over may also access their accrued pension.

4.7.2 Efficiency of Service payments

Exceptionally an employee may be dismissed or retire early in the interests of the efficient exercise of the authority's function. Efficiency of service arrangements are aimed at individual employees who, while having given valuable service, are no longer capable of doing so. The situation may arise from new duties being required or a decline in the employee's ability to carry out the duties of the post due to, for example, domestic circumstances or health reasons which are not sufficient to justify ill health retirement.

In deciding whether an existing employee's leaving is in the interests of efficiency one or more of the following criteria must be met.

- A financial saving is achieved after taking any costs arising to the Council into account
- Improved effectiveness is achieved from for example a re-organisation
- There are some special individual circumstances such as significant compassionate grounds.

Applications will be considered and determined by:-

- Officers Graded 1 to 9 –Head of HR, ICT & Shared Support Services in consultation with Head of Service (from employing service), Head of Finance & Commercial and Chairman of Personnel & Development Committee.

- Officers Graded 10 to 12 – Chief Executive in consultation with Corporate Director, Head of HR, ICT & Shared Support Services, Head of Finance & Commercial and the Chairman of Personnel & Development Committee.
- Chief Executive, Head of HR, ICT & Shared Support Services and Head of Finance & Commercial – Leader of the Council in consultation with Cabinet Member for Finance and Chairman of Personnel & Development Committee.

The Council may need to respond to unforeseen and exceptional circumstances and mutually agree severance arrangements with an individual. To ensure any discretionary payments are reasonable in the circumstances and fair, reasonable and compatible with employees rights, the Council will take into account all and only relevant factors, based on appropriate and sufficient information, including:

- The financial implications including any pension costs
- Relevant non monetary considerations
- HR and legal advice
- Audit Commission guidance

As in all matters the Council in determining what compensation, including termination benefits may be paid to employees, must bear in mind its fiduciary duties to Council Tax payers very carefully, take relevant factors into account, ignore irrelevant factors and act only for proper purposes. Taking into account the particular circumstances of each case, factors which may be included are:

- The level of settlement
- The likely litigation costs
- Risk of the employee winning and likely damages
- Officer time in dealing with litigation
- Implications of the employee's continued employment
- Whether trust and confidence between the parties endures

New legislation is expected during 2018 entitled 'Cap on Exit Payment Regulations', which will introduce a cap on all public sector exit payments to £95,000.

4.8 Re-employment of former employees as a Chief Officer

It is important the Council has flexibility to respond to unforeseen circumstances as regards re-employing former employees as a Chief Officer. If we re-employ a previous employee who received a redundancy or severance package on leaving, or if that person returns on a 'contract for services', or if they are in receipt of a Local Government / Firefighter Pension Scheme (with same or another local authority) then our policy is not to abate pension. The Council will require full repayment of compensation if an employee is re-employed within one month of any settlement.

NB:- New legislation is still expected, potentially during 2019 entitled 'Public Sector Exit Pay Recovery Regulations'. The recovery will apply to those

individuals earning £80,000 per annum or more who return to a public sector body within a 12 month period. Repayment will be tapered over a period of time.

4.9 New starters joining the Council

Employees new to the Council will normally be appointed to the first point of the salary range for their Grade, subject to the candidate's level of relevant experience, skills and qualifications assessed against the requirement of the job and consistent with that of other employees in a similar position on the salary range.

Discretion to appoint above this point will be documented and authorised by Head of Service for appointments to posts Grade 2 to 10 and by Council following recommendation by the JNC committee for Chief Officer appointments G11 to 13.

4.10 Interim fees

Where the duties of a Chief Officer role is being undertaken on a temporary basis on a 'contract for services' with an individual or through an employment agency a minimum of 3 financial quotes or tenders will be sought to ensure value for money. With effect from April 2017, the UK Government introduced "Intermediaries Legislation", known as IR35, reforming tax rules for off-payroll working in the public sector. The Council implements the new rules as required.

5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers"

All employees including Chief Officers are paid within the Council's pay scales.

Will Hutton's "Review of fair pay in the Public Sector," which has been used by the Government to inform the statutory guidance relating to the pay policy statement sets out that the ratio between the highest and lowest earner should not exceed 20:1.

The lowest paid employee is on £16,400 per annum, (spinal column point - (SCP 2.1). This excludes apprentices who are engaged on different arrangements with training being the main feature of the arrangement and it also excludes agency staff.

The highest paid employee is the Chief Executive and the pay band minimum is £130,580 rising to the pay band maximum of £146,176. The current post holder earns £117,622 (FTE £146,176).

The median salary in the Council is £34,411.

The ratio between the highest paid employee and the lowest earners (taking into account basic pay and cash value of contractual benefits) is 7:1. (9:1 based on FTE salary)

The ratio between the highest earner and the median full time equivalent pay is 3.4:1 (4.2:1 based on FTE salary).

The ratio between the lowest earner and the median full time equivalent pay is 1:2.09

6. Published information

The following information is already available on the Council's website: -

- Organisation structure
- Salaries of senior staff
- Terms & conditions of employment (including pay scales and allowances)
- The Workforce Report (providing information about the Council's workforce)
- Local Government Pension Scheme Discretionary Benefits
- Policy relating to redundancy compensation
- Annual Statement of Accounts (including senior officers' remuneration).